

KENTUCKY DEPARTMENT OF EDUCATION

STAFF NOTE

Review Item:

The Kentucky Education Excellence Scholarship Program (KEES)

Applicable Statute(s) or Regulation(s):

KRS 164.7871, 164.7874, 164.7877, 164.7879, 164.7881, 164.7883, 164.7885
11 KAR 15:090.

History/Background:

Existing Policy. The General Assembly created the Kentucky Education Excellence Scholarship Program in 1998. High school students generate a base award amount each year their grade point average exceeds 2.50 and a supplemental award if they receive an ACT score of at least 15. Students who attain a 28 or above on the ACT and maintain a 4.0 grade point average for all four years of high school are designated as Senator Jeff Green Scholars. Advanced placement and international baccalaureate courses are weighted on a 5.0 scale; grades of “A” in all other courses are assigned a value of 4.0.

In 2005, the General Assembly passed legislation transferring the administrative operation of the program from the Council on Postsecondary Education to the Kentucky Higher Education Assistance Authority. High schools are required to report student grades to the authority as opposed to the Kentucky Department of Education. A work group including staff from the Kentucky Higher Education Assistance Authority, the Council on Postsecondary Education, and the Department have been considering possible changes to the program. The goal is to make changes so that there is no fiscal impact on the system. The Kentucky Board of Education is being asked to provide input to the work group as they consider changes to KEES.

The policy issues below are being presented in the format that is being used by the multi-agency working group to facilitate this discussion with groups of constituents. Below each question, the Department has inserted its recommendation to the Board.

Policy Issues:

1. Should the KEES curriculum be revised to meet postsecondary expectations?

Rationale:

- The KEES program, by definition, provides incentives and scholarships for students to pursue postsecondary education. The curriculum should reflect that expectation.
- Anecdotal evidence suggests that the current structure and implementation of the KEES curriculum and grade reporting system may provide an incentive for students to take less rigorous courses to earn higher awards.

- Nearly 40 percent of students receiving KEES scholarships do not retain them their sophomore year, in part because they do not maintain a 2.5 GPA their freshman year in college. Taking more challenging courses in high school may have the short-term effect of a lower cash award, but the long-term effect of retaining the scholarship throughout college and degree completion.
- A substantive and academically rigorous curriculum would significantly improve the workforce skills of all high school graduates, regardless of their choice to pursue postsecondary education.

Concerns:

- If postsecondary preparatory courses are not available to all students, under-prepared students with less support from their family and/or school environments may be less eligible for full KEES awards.
- The short- and long-term impact of revising the KEES curriculum to meet postsecondary expectations is difficult to calculate. In the short term, some students may earn a lower GPA, and thus earn smaller KEES awards. In the long term, students would be better prepared for college and the skilled workforce, maintain their GPA eligibility, and keep their KEES awards through graduation.

KDE Recommendation:

- The KEES curriculum should align with the revised KBE high school graduation requirements.

2. Should Kentucky's minimum high school graduation requirements be revised to meet postsecondary and skilled workplace expectations, such as at least the following:

- 4 credits in English
- 4 credits in mathematics (including algebra I, geometry, and algebra II)
- 3 credits in science (biology, physics, and chemistry, lab-based or experiential)
- 3 credits in history and social sciences
- 2 credits in a language other than English (or demonstrated competency)
- 4 credits in rigorous electives (which can be technically applied courses)

Rationale:

- There should be a single standard for minimum high school graduation composed of a rigorous curriculum that ensures all students are adequately prepared to pursue college and skilled employment.
- All high school graduates should be prepared for some form of postsecondary education and skilled employment, and entry-level expectations of colleges and employers in skilled fields have virtually converged. (See The American Diploma Project's report, *Ready or Not: Creating a High School Diploma That Counts*, 2004.)
- Establishing high school graduation requirements for *all* students (with a default option for special needs) will reduce the achievement gap by preventing low-income and minority students from being "tracked" out of a curriculum that does not prepare them for college or skilled employment.
- State and national policy reports recommend raising the level of rigor of the high school curriculum (e.g., The National Commission on the High School Senior Year, The American Diploma Project, and the Prichard Committee's Task Force on High Achieving High Schools).
- Clifford Adelman's *Answers in the Tool Box* (U.S. Department of Education) concludes that the single greatest predictor of a high school student eventually earning a bachelor's

degree is the rigor of the high school curriculum undertaken. This overrides race/ethnicity, gender, and socio-economic status.

Concerns:

- A rigorous common core curriculum will increase the demand for teachers in shortage areas.
- Students in predominantly low-income schools are more likely to be assigned teachers who are unprepared to teach a college- and workplace-ready curriculum.
- Kentucky's dropout rate might increase.

KDE Recommendation:

- The KEES curriculum should align with the revised KBE high school graduation requirements. The Board is considering revisions to the minimum high school graduation requirements as a separate agenda item. The recommendations of the work group are consistent with the proposed changes to 704 KAR 3:305, Minimum Requirements for High School Graduation, with one slight exception. In mathematics, the KEES work group has discussed four credits in mathematics to include Algebra I, Geometry and Algebra II. The proposed changes to graduation requirements include Algebra I, Geometry, Algebra II or a course of at least equal rigor, and mathematics every year.

3. Should the KEES ACT supplementary award threshold of 15 (composite) be raised to 18, or higher?

Rationale:

- ACT, Inc. national research shows that a composite score of 15 does not indicate readiness for college. Setting an award threshold at 15 sends a misleading message to high school students. In 2003, over a third of KEES recipients did not return their sophomore year, thus losing eligibility for some of their initial award.
- The Council on Postsecondary Education requires Kentucky's public postsecondary institutions to provide academic assistance (remedial placement, enhanced courses, or additional placement assistance) to all admitted students earning an ACT sub-score of less than 18 in reading, English, or mathematics.
- ACT, Inc. national research correlates an ACT sub-score of 18 in English with readiness for first-year college writing and an ACT sub-score of 22 in mathematics with readiness for college algebra. Kentucky's statewide placement policy reflects these correlations.

Concerns:

- Raising the KEES ACT supplementary award threshold would have a disproportionate effect on low-income and minority students, who have the least access to curricula that would prepare them to earn a higher ACT score.
- The KEES program, unlike merit scholarship programs in many other states, effectively focuses on college access for first-generation college-goers. Awarding an initial ACT bonus at 15 may serve as an incentive to students who might otherwise not attempt the ACT.
- The short- and long-term fiscal impact of raising the ACT threshold is difficult to determine. In the short-term, the size of the increase would be balanced by fewer students meeting the threshold. In the long-term, if the incentive was effective, more students would earn higher award amounts and complete college successfully, thus increasing the fiscal impact on the KEES program.
- The estimated fiscal impact of a compromise position, retaining the current ACT award threshold at 15 but offering a bonus award beginning at 22 (to reflect college readiness

and to provide an incentive for greater achievement) ranges from \$900,000- \$2,500,000 per year, depending on the size of the incentive for higher scores and whether or not students scoring in the 15-21 range are held harmless.

KDE Recommendation:

- The KEES ACT supplementary award threshold of 15 should be raised to 18.

4. Should the grading scale for KEES awards calculation be standardized?

Rationale:

- Current lack of standardization across districts encourages grade inflation and more lenient grading scales to increase KEES awards.

Concerns:

- State policy should not usurp the authority of local school districts to establish their own individual grading policies.
- Schools may need to make significant operational changes to use percentages for grades or to compile GPAs based on a grading scale different from the one used in the district.
- Adopting a uniform grading scale would make no difference statistically to the operation or administration of the KEES program.
- Standardization of grading scales does not guarantee equal performance across districts or schools, or even within the same class, nor does it guarantee against grade inflation.
- Use of a separate grading scale for KEES calculation could confuse parents and students.

KDE Recommendation:

- Standardization of the grading scale should not be required and the current procedures should remain in place. Other options, such as the use of end of course assessment results, should be considered.

5. Should KEES awards be granted for algebra I or higher mathematics courses that qualify for high school credit when taken in middle school (though awarded in high school)?

Rationale:

- Students should not be deterred by KEES award policy from taking courses (such as algebra I) whenever they are ready.

Concerns:

- Changing the calculation formula for KEES would require statutory change.

KDE Recommendation:

- Credit for Algebra I taken in middle school should qualify for high school credit. It is acceptable that a KEES award for work done prior to the 9th grade year be applied at the end of the 9th grade year, as an addition to awards for mathematics actually taken during the 9th grade year.

6. Should Jeff Green Scholars (students with a 4.0 GPA all four years of high school and a 28 composite score on the ACT) and receive an additional KEES award of \$1,500?

Rationale:

- As a merit-based scholarship, one purpose of the KEES program is to keep talented Kentucky high school graduates in the Commonwealth. Awarding an additional \$1,500 to Jeff Green Scholars will help KEES awards remain competitive with rising tuition rates.

Concerns:

- The estimated fiscal impact of increasing KEES awards to Jeff Green Scholars is \$1,275,000 the first year and close to \$6 million after four years.
- Jeff Green Scholars are the most likely to receive both in-state and out-of-state scholarships, and \$1,500 would be an inadequate incentive to alter their college selection.

KDE Recommendation:

- Jeff Green scholars should receive an additional award of \$1,500.

7. Should extra weight be allocated for dual credit courses taken in the pre-college curriculum (including the four electives), just as AP and IB courses are given extra weight?

Rationale:

- Currently, AP and IB courses are given extra weight in the KEES award calculation. College courses taken in high school should be similarly encouraged.

Concerns:

- There is no objective measure of the rigor of dual credit courses. The state currently does not have standards regarding the nature or content of dual credit courses to guarantee that they offer accelerated content.
- This is an added expense for the KEES budget, but the change should be manageable and is well within the legislative intent for KEES to provide incentive and promote students taking more rigorous courses.

KDE Recommendation:

- Extra weight should be allocated for dual credit courses taken in the pre-college curriculum if the courses meet content and performance standards and students demonstrate mastery of the content.

8. Should Kentuckians who have completed undergraduate study out of state be allowed to use their allotted KEES funds for graduate school in Kentucky?

Rationale:

- To reach the national average in educational attainment by 2020, Kentucky will have to double the number of adults holding a bachelor's degree *or higher*. Kentuckians completing graduate programs in Kentucky are likely to remain in the Commonwealth. Allowing use of KEES funds for graduate school in Kentucky is consistent with Kentucky's policy goals.

Concerns:

- KEES funds are designed to provide incentives for access to postsecondary education at the undergraduate level.
- It is unclear that this incentive would significantly affect student decision making regarding graduate school selection and enrollment.

- The estimated fiscal impact of expanding use of KEES funds to graduate study ranges initially from \$800,000-\$1,200,000 per year or up to \$4.8 million per year when fully implemented.
- Kentucky is a net importer of college graduates.

KDE Recommendation:

- Kentuckians who have completed undergraduate study out of state should not be allowed to use their allotted KEES funds for graduate school in Kentucky due to the large fiscal impact that would occur in tight economic times. Until additional funds become available for this purpose, the focus of the program should remain on students pursuing a high school diploma in preparation for an undergraduate education.

9. Should KEES awards be used to fund dual credit course-taking?

Rationale:

- Students should be encouraged to take a more rigorous college curriculum if they are ready and the opportunity should not be based on the family's ability to pay tuition.
- Students taking college level courses in high school are more likely to attend postsecondary education.
- As the state encourages more students to take credit-based learning opportunities, such as dual credit, institutions that waive or reduce the tuition cannot sustain the policy.

Concerns:

- The Mary Jo Young Scholarship already provides for limited payment of these costs.
- Additional weight could be given for these classes in terms of earning KEES awards to be used in college (see #8).
- This proposal dilutes the award amount for students when they enroll in college for their undergraduate programs of study.
- Simply providing an additional source of funding would provide a financial incentive for, and inevitably lead to, institutions increasing their tuitions and fees for these courses.

KDE Recommendation:

- KEES awards should be used to fund dual credit course-taking if the courses meet content and performance standards and the student demonstrates content mastery.

10. Should the five-course-per-year requirement for KEES eligibility be changed?

Rationale:

- High school students enrolled in college, coop, or technical courses often take fewer than five courses per year due to block scheduling and, as a result, they lose their KEES eligibility for that year.

Concerns:

- Reducing course-load requirements could provide an incentive for students who have completed their high school graduation requirements to take fewer courses in their senior year.

KDE Recommendation:

- (This issue is newly identified by the work group. The KDE recommendation will be presented at the October Board meeting.)

Impact on Getting to Proficiency:

The KEES program is a powerful incentive to encourage students to attend postsecondary education.

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